KPMG Audit SRL
DN1, Bucharest - Ploieşti Road no. 89A
Sector 1, Bucharest
013685, P.O.Box 18 - 191
Tel: +40 372 377 800
Fax: +40 372 377 700
www.kpmg.ro

Independent Auditors' Report

(free translation[1])

To the Shareholders of IMO - II Property Investment S.A.

Fagaras Street 17 District 1 Bucharest
Unique Registration Code: 18115666

Opinion

1. We have audited the financial statements of IMO - II Property Investment S.A. ("the Company"), which comprise the condensed balance sheet as at 31 December 2022, the condensed income statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

2. The financial statements as at and for the year ended 31 December 2022 are identified as follows:

• Net assets/Total equity:	Lei 1,745,314
• Net loss for the year:	Lei -267,426

The financial statements have been signed with a qualified electronic signature by Katerina Atsali, in its capacity of Administrator of the Company, on May 31st, 2023, 9:53 am.

3. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance for the year then ended in accordance with the Order of Minister of Public Finance No. 1802/2014 for approval of accounting regulations regarding the annual separate financial statements and annual consolidated financial statements and related amendments ("OMPF no. 1802/2014").

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISAs") and Law no. 162/2017 ("the Law"). Our responsibilities under those standards and regulations are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with *International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Law and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

K

[1] TRANSLATOR'S EXPLANATORY NOTE: The above translation of the auditors' report is provided as a free translation from Romanian which is the official and binding version.

Fiscal registration code RO12997279
Trade Registry no J40/4439/2000
Share Capital 2,000 RON

Emphasis of Matter - liquidation basis of accounting in preparing the financial statements

5. We draw attention to Note 2A of the financial statements which describes that going concern basis of accounting was not used in the preparation of the financial statements, as the intention of Management is to liquidate the Company and the Company's operational activity to cease during 2023. The Company sold all its non-current assets during 2021 and paid a significant part of its debts during 2022. The Company's management plans for the next period are to realize the remaining assets on balance and to pay all the debts in balance as of 31 December 2022 during 2023, and subsequently liquidate the Company. Our opinion is not modified in respect of this matter.

Other information – Board of Directors' Report

6. The Board of Directors is responsible for the preparation and presentation of other information. The other information comprises the Board of Directors' Report, but does not include the financial statements and our auditors' report thereon.

   Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   With respect to the Board of Directors' Report we read and report whether the Board of Directors' Report is prepared, in all material respects, in accordance with OMPF no. 1802/2014, articles 489 – 492 of the accounting regulations regarding annual separate financial statements and annual consolidated financial statements.

   Based solely on the work required to be undertaken in the course of the audit of the financial statements, in our opinion:

   a) The information given in the Board of Directors' Report for the financial year for which the financial statements are prepared is consistent, in all material respects, with the financial statements;

   b) The Board of Directors' Report has been prepared, in all material respects, in accordance with OMPF no. 1802/2014, articles 489 – 492 of the accounting regulations regarding annual separate financial statements and annual consolidated financial statements.

   In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of our audit we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. Management is responsible for the preparation of financial statements that give a true and fair view in accordance with OMPF no. 1802/2014 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our

K

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Refer to the original signed Romanian version

For and on behalf of KPMG Audit S.R.L.:

VLAD-BALANESCU RADUCU-BOGDAN	**KPMG Audit SRL**
registered in the electronic public register of financial auditors and audit firms under no AF2373	registered in the electronic public register of financial auditors and audit firms under no FA9

Bucharest, 31 May 2023

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED ON 31 DECEMBER 2022

drawn up according the Order of the Minister of Public Finance of Romania no. 1802/2014, as subsequently amended

MINISTERUL JUSTIŢIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA *
FLORINA MIRESCU
Aut. nr. 1206/1999

CONTENTS **PAGE**

MINISTERUL JUSTIȚIEI * ROMÂNIA
FLORINA MIRESCU
Aut. nr. 1206/1999
TRADUCĂTOR AUTORIZAT

REPORTING ENTITY

These financial statements are presented by IMO-II PROPERTY INVESTMENTS SA(the "Company"), a member of Eurobank Ergasias group (the „Group", „Eurobank Group").

Subsidiaries are entities over which the Group, directly or indirectly, has the power to exercise control over the financial and operating policies, generally having a large participation of half of the voting rights. The existence and effect of potential voting rights that currently can be exercised or are convertible are taken into account when assessing whether the Group controls another entity. The subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date on which control ceases.

2. ACCOUNTING PRINCIPLES, POLICIES AND METHODS

The main accounting policies adopted for the preparation of these financial statements are detailed bellow.

A Basis for the preparation of the financial statements

(1) General information

These financial statements have been prepared according to:

(i) Accounting Law 82/1991, republished in November 2012 („Law 82");

(ii) The accounting regulations concerning the annual separate financial statements and the annual consolidated financial statements, approved by the Order of the Minister of Public Finance of Romania 1802/2014, as subsequently amended („OMF 1802").

According to the size criteria described in OMF 1802, the Company falls within the category of micro entities and applied the exemptions mentioned in OMF 1802.

These financial statements have been prepared in order to reflect the financial position and the individual results of IMO-II Property Investments SA (according to the regulations in force) and not of the Group, for the financial year ended on 31 December 2022.

These financial statements have been prepared on the basis of the historical cost convention, with the exceptions described further in the accounting policies.

(2) Use of estimates

The preparation of financial statements requires that the management of the Company makes estimates and assumptions which affect the reported values of assets and liabilities, the description of assets and contingent liabilities on the date of preparation of financial statements and the expenses reported for that period. Although these estimates are made by the management of the Company on the basis of the best information available on the date of the financial statements, the results obtained can differerent from these estimates.

(3) Business continuity

The management's intention for the next period is to liquidate the company, following which the necessary steps will be taken according to the legislation in force. The Company's activity has stopped in 2022, following the sale of all fixed assets and inventories in 2021. The company paid almost all of its debts on 31 December 2022. Consequently, the annual financial statements for the financial year ended on 31 December, 2022 were not drawn up applying the principle of business continuity.

For the year ended on 31 December 2022, the Company recorded a loss of 267,426 lei (as of 31 December 2021 the Company recorded a profit amounting of 1,711,211 lei). The net equity as of 31 December 2022 became positive, as can be seen in the table below:

	31 December 2021	31 December 2022
Share capital	197,800	22,453,450
Reserves	39,560	39,560
Retained earnings	(22,156,740)	(20,445,529)
Profit/Loss of the financial year	1,711,211	(267,426)
Profit distribution	(34,741)	-
Equity	(20,242,910)	1,745,314

During the year 2022, the Group, through Eurobank SA, participated in the share capital of the company with the amount of 4,500,000 euros (22,255,650), through this action the capital of IMO-II Property Investments became positive as of 31 December 2022
The capital increase was made so that the Company could repay the loan to Eurobank Private Bank Luxembourg, before being liquidated (process started and completed during the year 2022

(4) The currency used in the financial statements

The accounts are kept in the Romanian language and in the national currency. The items included in these financial statements are expressed in Romanian lei.

B Conversion of transactions into foreign currency

The Company's transactions in foreign currency are registered at the exchange rates communicated by the National Bank of Romania ("NBR") on the transactions' dates. At the end of each month, the monetary balances expressed in a foreign currency are converted in lei at the exchange rates communicated by the NBR on the last banking day of the month. The earnings and the losses resulted from the settlement of transactions in a foreign currency and from the conversion of monetary assets and liabilities expressed in a foreign currency are recognised in the profit and loss account, as part of the financial result. The advances do not represent monetary items and shall not be subjected to valuation depending on the currency exchange rate.

On 31 December 2021 and 2022, the main exchange rates used for the conversion in lei of balances

MINISTERUL JUSTIȚIEI - ROMÂNIA
FLORINA MIRESCU
Aut. nr. 1206/1999
TRADUCĂTOR AUTORIZAT

expressed in foreign currency are:

Foreign currency	Abbreviation	Exchange rate (lei for 1 unit of foreign currency) 31 December 2021	31 December 2022
Dolar SUA	USD	4.3707	4.6346
Euro	EUR	4.9481	4.9474

C Intangible assets

(i) Start-up expenses

The start-up expenses are capitalised as tangible fixed assets. The start-up expenses are depreciated during a period of not more than 5 years.

Advances and other intangible assets

Within advances and other intangible assets, are recorded advances to providers of intangible assets, computer programs created by the entity or purchased from third parties for their own use needs, as well as other intangible assets.

The items having the nature of intangible assets shall be straight-line depreciated during a five year period (the duration of their use).

The expenses allowing the intangible assets to generate future economic benefits exceeding the initially predicted performance shall be added to their original cost. These expenses are capitalised as intangible assets if they are not integral part of tangible assets.

D Tangible assets

(1) Cost/evaluation

The tangible assets are initially evaluated at the acquisition cost.

The cost of a tangible asset includes the costs estimated initially for the dismantling and the relocation of the asset after it is rendered inoperative, as well as for its bringing back to the location, if these amounts can be clearly estimated and the Company must dismantle, relocate and bring back the asset to the location.

The expenses relating to the maintenance and the repairs of tangible assets shall be registered to the global result when they arise, and the significant improvements brought to tangible assets, which increase their value or lifetime or which increase significantly their capacity to generate certain economic benefits, are capitalised.

On the date of the balance sheet, the tangible fixed assets are valuated at cost, less the cumulated depreciation and the adjustments for impairment or loss of value. At the end of the year, the management assesses if there are impairment indices and adjusts the assets value accordingly.

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999 TRADUCĂTOR AUTORIZAT

Depreciation

The depreciation is calculated at input value, using the straight line method throughout the estimated useful life of assets, as follows:

	Years
Buildings and building facilities	1 - 50
Technical installations and machineries	1 - 20
Other installations, equipment and furniture	1 - 30

The depreciation is calculated as from the month following the commissioning and until the full recovery of the input value.

The lands are not depreciated as it is deemed that it has an indefinite lifetime.

(2) Sale/disposal of tangible assets

The tangible assets disposed of or sold are write-off from the balance sheet together with the corresponding cumulated depreciation. Any profit or loss resulted as the difference between the revenues generated from the write-off and its non-depreciated value, including the expenses relating to such operation, is included in the profit and loss account.

When the Company recognizes in the accounting value of a tangible fixed asset the cost of a partial replacement (replacement of a component), the book value of the part replaced and the relative depreciation is written-off.

(3) Costs of debt

The interest expenses relating to all loans are registered as expenses at the time when they are made.

(4) Assets sold and leased under a leasing contract.

The transaction concerning the sale and lease of the same asset by a financial lease agreement is treated as a financing transaction and the asset is maintained in the patrimony.

(5) Real estate investments

The real estate investments are represented by land and buildings owned in order to earn rental income or to increase the capital value.

Real estate investments are subject to the valuation rules applicable to tangible assets as described above. The life span of buildings included in real estate investments is of 50 years.

The transfers to or from the category of real estate investments take place when there is a change in their use shown by:

a) the start/the end of the use by the Company (transfer between the real estate investments

MINISTERUL JUSTIȚIEI • ROMANIA • TRADUCĂTOR AUTORIZAT FLORINA MIRESCU Aut. nr. 1206/1999 category and the category of tangible assets);

b) the commencement of the improvement process for the purpose of sale (transfer from real estate investments in inventories); or

c) the start of an operational lease (transfer from inventories to real estate investments).

On 31 December 2022 the Company no longer owns fixed assets and does not intend to acquire any more, considering the management's intention to liquidate the Company (see note 2.3)).

E Impairment of tangible and intangible assets

At the end of financial year, the value of the items of tangible and intangible assets is reconciled with the inventory results. For this purpose, the net book value is compared with the value established based on the inventory, called inventory value. The negative differences found out between the inventory value and the net book value of assets is recorded in the accounts on account of an additional depreciation, in the case of depreciable assets whose impairment is irreversible, or an adjustment for impairment or a value loss is performed if the impairment is reversible. The recoverable value is determined according to the asset utility, its state and the market price.

F Financial assets

Financial assets include the shares in affiliated entities, the loans granted to affiliated entities, the participation interests, the loans granted to entities to which the Company is linked on the basis of participation interests, as well as other investments owned as assets.

The financial assets are recognized in the balance sheet at acquisition cost or at contribution value. The acquisition cost also includes the trading costs. The financial assets are assessed later at the input value minus the cumulated adjustments for loss of value.

G Inventories

The Companies inventories consist of land and buildings mostly purchased through real estate offerings. The immovable properties are initially recognised in the balance sheet at the acquisition costs on the date of acquiring the title, the award document, the sale-purchase agreement. The inventories are registered at the lowest value between the cost and the net achievable value. The cost of the inventory is determined based on the acquisition cost established in accordance with the legal regulations in force. Where applicable, provisions for slow moving inventories, subject to obsolescence or wear and tear, shall be created. The net achievable value is estimated based on the sale price determined on the basis of valuations carried out by authorized valuers or other methods recognized by specialists from which the costs related to the sale are deducted.

The assets purchased are registered as inventories. If these are rented, they are classified as assets.

On 31 December 2022 the Company no longer owns inventories and does not intend to purchase

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999

any more, considering the management's intention to liquidate the Company (see note 2.3)).

H Trade receivables

The trade receivables are recorded at invoiced value minus the provisions for the impairment of these receivables. The provisions for trade receivables impairment are created if there are objective records that the Company will not be able to collect all the amounts by the initial deadlines.
The Company's receivables on 31 December 2022 are in the proportion of 99.92% available at banks.

I Share capital

The ordinary shares are classified in equities.

When redeeming the shares/shares of the Company, the amount paid will decrease the equity. When these shares/participating shares are subsequently re-issued, the amount received (net of transaction costs) is recognized in equity.

The differences of exchange rate between the moment of share subscription and the moment of payment thereof do not represent earnings or losses related to the issuance, redemption, sale, assignment free of charge or the cancellation of the equity instruments of the entity, these ones being recognized as financial revenues or expenses, as the case may be.

J Dividends

The dividends relating to ordinary shares are recognised in equity in the period in which they are declared.

K Loans

The short and long term loans are initially registered at the amount received. The difference between the amounts received and the redemption value are recognised in the profit and loss account throughout the duration of the loan agreement.

The bank fees and commissions relating to obtaining long term loans are recognised on account of accrued expenses. The accrued expenses are to be recognised as current expenses by instalments, throughout the repayment period of those loans.

If the Company has an unconditional right to defer the settlement of loans for at least twelve months after the end of the reporting period, then the payables in question shall be classified as long term payables. The other loans will be shown as short term payables.

The short term share of long term loans is classified in "Payables: Amount payables within one year" and included at this position together with the accrued interest at the balance sheet date.

L Accounting for leasing contracts in which the Company is lessor

(1) Financial leasing contracts

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999

The leasing contracts concerning tangible assets in which the Company assumes all risks and benefits relating to the property are classified as financial leasing contracts. Financial leasing are capitalised at the estimated updated value of the payments.

Each payment is divided between the capital item and the interest in order to obtain a constant interest rate during the repayment period. The due amounts are included in short or long term payables. The interest item is shown in the profit and loss account throughout the duration of the contract. The assets owned in the framework of financial leasing contracts are capitalised and depreciated throughout their useful life.

(2) Operational leasing contracts

The leasing contracts in which a significant share of risks and benefits associated to the property are retained by the lessor are classified as operational leasing contracts. The payments made in the framework of such contract (net of any incentives granted by the lessor) are recognised in the profit and loss account on a straight line basis throughout the duration of the contract.

M Trade payables

The trade payables are registered at the value of the amounts which are to be paid for the goods or services received.

N Provisions

The provisions for decommissioning, restructuring, litigation, as well as other provisions for risks and expenses are recognised at the time when the Company has a legal or implicit obligation generated by a previous event, in the case it is likely that an outflow of resources is needed for the purpose of extinguishing the obligation and where a credible estimation of the value of the obligation can be made. The restructuring provisions include the direct costs generated by the restructuring, namely those necessarily generated by the restructuring process and not related to the continuous performance of the entity's activity.

The provisions for future operational losses are not recognised.

In the case of contracts for pecuniary interest (contracts in which the unavoidable costs relating to the performance of contractual obligations exceed the expected economic benefits), the current contractual obligation provided for in the contract is recognised and evaluated as a provision. Before creating a separate provision for a contract with a pecuniary interest, any loss from the impairment of assets allocated to the contract in question is recognised.

O Employees' benefits

Pensions and other retirement benefits

In the normal course of the activity, the Company makes payments to health, pension and unemployment state funds, on behalf of its employees, at statutory rates. All Company's employees are members of the retirement plan of the Romanian state. These costs are recognised in the profit and loss account together with the recognition of salaries.

MINISTERUL JUSTIȚIEI · TRADUCĂTOR AUTORIZAT * ROMÂNIA
FLORINA MIRESCU
Aut. nr. 1206/1999

The Company does not operate any retirement or post-retirement benefit plan and, therefore, it has no other retirement related obligations.

P Deferred revenues

The assets received from customers in the form of tangible assets or cash, intended for the purchase or the construction of tangible assets are recorded as deferred revenue.

R Taxation

Current corporate tax

The Company records the current corporate tax based on the taxable profit from tax returns, according to the relevant tax legislation.

S Revenue recognition

The revenues refer to the goods sold and the services provided.

The revenues from the sales of goods are recognised at the time when the Company has transferred the main risks and benefits relating to the ownership of goods to the purchaser.

The revenues relating to the services provided are recognised on the basis of the completion stage as a percentage from the total revenues generated by the contract for the provision of services, the percentage being determined according to the ratio between the total services to be provided and the services provided until the date of preparation of the balance sheet.

The revenues from royalties are recognised on the basis of accrual accounting principles, according to the economic substance of relating contracts.

The interest revenues are recognised regularly, proportionally, as the revenue in question is generated, on the basis of accrual accounting.

The trade discounts subsequent to the invoicing are registered in the profit and loss account.

In these financial statements, the revenues and the expenses are shown at gross value. In the balance sheet, the payables and the receivables from the same partners are shown at the net value at the time when there is a right to set-off.

T Expenses recognition

The Company's expenses represent the amounts paid or payable for:

- the provided inventories and services consumptions the Company is taking benefit;
- the staff costs;
- the execution of some legal or contractual obligations, etc.

The losses represent reductions in economic benefits and may or may not result from the Company's current business activities. They do not differ in nature from other types of expenses.

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999

Also included in the expenses of the financial year are the provisions, depreciation and adjustments for impairment or loss of value reflected.

3. **FIXED ASSETS**

(lei)	**Technical installations and machines** (lei)	**Other installations, equipment and furniture** (lei)	**Start-up costs** (lei)	**Concessions, patents, brand licenses, rights and similar values and other intangible assets** (lei)	**Total** (lei)
Gross value					
Balance on 1 January 2022	169,429	6,858	11,600	921,981	1,109,868
Increases		-	-	-	-
Assignments, transfers and other discounts	169,429	6,858	11,600	921,981	1,109,868
Balance on 31 December 2022	-	-	-	-	-
Cumulate depreciation					
Balance on 1 January 2022	169,429	6,858	11,600	921,981	1,109,868
Depreciation recorded during the exercise		-	-	-	-
Discounts or reruns	169,429	6,858	11,600	921,981	1,109,868
Balance on 31 December 2022	-	-	-	-	-
Net book value on 1 January 2022	-	-	-	-	-
Net book value on 31 December 2022					

FLORINA MIRESCU
Aut. nr. 1206/1999
MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA *

4. INVENTORIES

The company had no stocks either on 31.12.2021 or on 31.12.2022

5. CASH AND BANK ACCOUNTS

	Balance on 1 January 2022	Balance on 31 December 2022
Bank accounts in lei	1,299,460	1,075,606
Bank accounts in currency	280,207	704,645
Total	**1,579,666**	**1,780,251**

6. CONTRIBUTIONS AND FINANCING SOURCES

a) Share capital

The value of the capital subscribed on 31 December 2022 amounted to 22,453,450 lei representing 224,534,500 shares, while in 2021 the subscribes share capital amounted to 197,800 lei representing 1,978,000 shares. All shares are ordinary, have been subscribed and are fully paid on 31 December 2022. All shares hold the same voting right and have a nominal value of 0.01 lei/share.

As of 31 December 2022, the shareholding structure is the following

	Number of shares (thousands)	Amount (lei) 2021	2022	Percentage (%)
EUROBANK SA	224,534,499	197,799.90	22,453,449.90	99.9999996%
ERB NEW EUROPE HOLDING B.V.	1	0.10	0.10	0.0000004%
Total	**224,534,500**	**197,800**	**22,453,450**	**100%**

b) Shares issued during the financial year

No shares have been issued during the financial year 2021. The share held in 2016 by CEH BALKAN HOLDINGS LIMITED was sold during 2017 to ERB NEW EUROPE HOLDING B.V.

During the year 2022 a number of 222,556,500 shares have been issued, fully subscribed by EUROBANK SA.

MINISTERUL JUSTIȚIEI · ROMÂNIA · FLORINA MIRESCU · Aut. nr. 1206/1999 · TRADUCĂTOR AUTORIZAT

c) Financing

On 25 March, 2022, the short-term loan included in 2021 was paid in full. In 2021, the loan received from Eurobank Private Bank Luxembourg S.A. was amounting of 9,000,000 Euros, of which the amount of 4,400,000 Euros (21,771,640 lei) was used until 31 December, 2021.

7. INFORMATION CONCERNING THE MEMBERS OF ADMINISTRATION, MANAGEMENT AND SUPERVISION BODIES

a) Compensations granted to the members of administration, management and supervision bodies and to other key persons

	Financial year ended on 31 December 2021	Financial year ended on 31 December 2022
Administrative staff	4,069	3,919
Managers	18,905	19,642

The employees do not have full time jobs – during the year 2022 there were 3 part-time employees.

b) Advances and loans granted to the members of administration, management and supervision bodies

The Company did not have advances and loans granted to managers and directors in the opening balance as of 31 December 2022 and 31 December 2021 and no other commitments assumed on their behalf in the form of guarantees of any kind.

c) Employees

The Company does not have full-time employees - only part-time employees.

8. OTHER INFORMATION

a) Information concerning the Company

IMO-II Property Investments Bucuresti SA, joint-stock company, established in Romania, with the registered office in Bucharest, Str. Fagaras, no. 17, Sect 1.

b) Main activity: according to the statistical classification (Order 337/2007) Rev. NACE (2) 8299 - Other business support services activities n.e.c.

c) Shareholders legal entities: ERB New Europe Holding B.V. (holds 0.00001% of the shares) and Eurobank SA (holds 99.99999% of the shares).

d) Other revenues

MINISTERUL JUSTITIEI - TRADUCATOR AUTORIZAT * ROMANIA
FLORINA MIRESCU
Aut. nr. 1206/1999

	2021 (lei)	2022 (lei)
Revenue from the exchange rate difference	86,507	38,298
Other revenues	12,982,398	35,415
Revenues from sales of inventories	-	-
Total	**13,068,906**	**73,713**

e) Other expenses

	2021 (lei)	2022 (lei)
Expenses from the exchange rate difference	644,112	27,599
Expenses with interests	474,478	69,509
Other operational expenses	36,416,812	220,470
Total	**37,535,403**	**317,578**

The largest part of the operational expenses is the amount of 159,438 lei refused for reimbursement during the control regarding the VAT reimbursement that took place in the period September-November 2022.

f) The company has no financial commitments, guarantees, assets and contingent liabilities or other commitments regarding pensions and affiliated or associated entities.

g) The management's intention for the next period is to liquidate the company, following which the necessary steps will be taken according to the legislation in force.

9. CONTINGENCIES

(a) Taxation

The Romanian taxation system has undergone multiple change in the last years and is subject to a continuous updating and modernisation process. Consequently, there are different interpretations of the tax legislation. In certain cases, the tax authorities may treat differently certain aspects and calculate additional taxes and duties and related interest and late payment penalties (currently amounting to a total of 0.03% per day of delay). In Romania, the financial year remains open for tax review for 5 years. The Company's management considers that the tax obligations included in these financial statements are appropriate.

(b) Transfer pricing

The Romanian tax legislation include the "market value" principle, according to which the transactions between affiliated parties must take place at market value. The taxpayers carrying out transactions with affiliated parties must prepare and make available to Romanian tax authorities, upon written request of the latter, the transfer pricing file. Failure to submit the transfer pricing file and the submission of an incomplete file can lead to the imposition of penalties for nonconformity; in addition to the content of the transfer pricing file, the tax authorities may construe the transactions and the circumstances differently from the management and, consequently, may impose additional tax obligations arising from the adjustment of transfer prices. The Company's management has taken steps to prepare the transfer pricing file which is currently prepared by an

MINISTERUL JUSTIȚIEI * ROMÂNIA * TRADUCĂTOR AUTORIZAT FLORINA MIRESCU Aut. nr. 1206/1999 external provider. The Company's management considers that it shall not incur losses in the case of a tax control covering the transfer prices. However, the impact of different interpretations of tax authorities may not be reliably estimated. This may be significant for the Company's financial position and/or the operations.

(c) Events subsequent to the balance sheet date

In the immediate following period, the Company will begin the liquidation process.

DIRECTOR
KATERINA ATSALI

Signature AIKATERINI ATSALI
AIKATERINI ATSALI
MAY 31 2023 9:53 AM

GENERAL MANAGER
THEODORA VEIBER

Signature Gabriela-Theodora Veiber
Digital'ysigned by Gabriela-Theodora Veiber
Date: 2023.05.31 06:38:15 +03'00'

PRREPAREED BY
IRINA HATMANU
FINANCIAL MANAGER

Signature

Lenuta Irina Hatmanu
Digitally signed by Lenuta Irina Hatmanu
Date: 2023.05.31 06:17:13 +03'00'

Date: 31.05.2023

I, the undersigned, Mirescu Florina, a certified translator authorized by the Romanian Ministry of Justice under no. 1206/1999 have hereunto set my hand and affixed my seal to certify this document as a true and valid translation into English of the original in Romanian.

TRANSLATOR,

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999 TRADUCĂTOR AUTORIZAT

Translation from Romanian

IMO-II PROPERTY INVESTMENTS S.A.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 DECEMBER 2022

Registered office: Str. Fagaras, no 17, Sector 1, Bucharest
Sole Registration Code : 18115666
Series no. with Trade Register: J40/18895/2005

Directors' Report for the financial year ended on 31 December 2022

CONTENTS **PAGE**

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999 TRADUCĂTOR AUTORIZAT

Registered office: Str. Fagaras, no 17, Sector 1, Bucharest
Sole Registration Code : 18115666
Series no. with Trade Register: J40/18895/2005

Directors' Report for the financial year ended on 31 December 2022

A. Macroeconomic evolution in 2022

„Romania registered an important increase in GDP in the first quarter of 2022, against the background of the removal of health restrictions imposed by the COVID-19 pandemic and positive developments at the global level, the quarterly dynamics being among the highest in the EU19.
The outbreak of the war in Ukraine, the energy crisis, geopolitical tensions and the deterioration of the external balance led to a moderation in the second quarter, with the growth rate slowing to 1.8% compared to 5.1% in the first quarter.

The economic growth in the second quarter, although slower than in the previous interval, was supported by domestic consumption. The evolution of the economy in the first part of 2022 was achieved in the conditions of greater recourse by companies to bank lending (+25.0%, the annual growth rate of credit granted to non-financial companies, September 2022). The volume of credits granted for current needs (inventory financing and treasury credits) have increased substantially in recent months, the share of these credits reaching 70% in total new credits in the first nine months of 2022. The loans for machines and equipment also recorded important increases in flow, but they have a modest contribution to the financing of investments (6% in 2020, according to the INS), most of the investments being financed from own sources (75%).
The slowdown in economic growth is expected to continue in the second part of the year amid the escalation of the Russian-Ukrainian conflict, the intensification of the energy crisis and the slowdown in economic activity in the EU. The forecasts of the IMF and the European Commission indicate an economic growth rate of between 4.8% and 5.8% for this year, followed by a much more modest evolution in 2023, but significantly higher than many EU countries.
The investments in the first semester of 2022 recorded a similar volume to the previous year, being supported by new construction works (63%). Future developments are mixed. On the one hand, the activity in the residential construction sector is likely to reduce amid falling demand and rising costs, while the confidence in industrial sector firms regarding investment activity is among the lowest in the EU. On the other hand, the start of programs to support the private sector ("IMM INVEST PLUS"), as well as the implementation of the National Recovery and Resilience Plan (PNRR) and other programs funded by European funds are likely to increase the volume of investments in the next period.
The absorption rate of the European Structural and Investment Funds for the period 2014-2020 continues to be below the European average (69%, which places Romania in the second part of the ranking of EU countries, after the countries in the region, data for the Financial Framework multiannual 2014-2020, 8 November 2022).
PNRR involves the carrying out of a number of 292 investments and 215 reforms. Of these, 155 investments and 32 reforms aim at transitioning the economy towards an environmentally friendly growth model. The entire package of reforms is estimated to contribute between 1.8 percentage points and 2.9 percentage points to the growth of the gross domestic product until 2026 and 0.2 percentage points determined by similar programs implemented by the other member states.
The labor market conditions remained relatively tight in the first half of 2022, but there are signs of easing in the second quarter. The reduction in the BIM unemployment rate, down to 5.5%, was accompanied by a quasi-stagnation in labor demand, with the job vacancy rate standing at 0.9%. At the same time, the staff shortage experienced by companies (assessed on the basis of the DG ECFIN survey) continued to increase in the second quarter to 10.9% (from 10.2% in the previous period), but the results for the second half of 2022 offer signals about the diminishing of the intensity of this concern. Beyond the cyclical influences, structural problems persisted on the labor market, the aging of the population, the emigration of qualified personnel

MINISTERUL JUSTIŢIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 120/1999

of the recent years or mismatches between the skills of the labor supply and the requirements of companies continuing to make the recruitment process difficult. According to Eurostat data, before the outbreak of the pandemic, i.e. in 2019, over a quarter of the workforce worked in other fields than those for which they had prepared (horizontal gap), while 16% were overqualified for the positions they held. The energy crisis, exacerbated by the escalation of global geopolitical tensions and the war in Ukraine, along with the increase in financing costs, complicates the fiscal consolidation process.
The careful management of the public budget is necessary both to ensure macrostability in the conditions where the latest developments indicate an accelerated deterioration of the trade balance, and to continue the assumed reform program.

The real estate market

The activity of the real estate market has moderated in the recent period, an evolution reflected in the slightly decreasing number of real estate transactions (-3% in the period January-September 2022, compared to the same period of the previous year). Persistent problems in the residential real estate market in Romania are represented by the regional disparities in terms of demand and supply of real estate, the regional concentration of mortgage loans, as well as the reduced degree of inclusion and financial intermediation in the less developed regions of the country. These problems follow the asymmetry in economic development at the level of the regions. A quarter of all real estate transactions are in Bucharest. Another 28% of the transactions are concentrated in the main regional centers in the country, respectively: Cluj, Brașov, Timiș, Constanța and Iași

The lowest number of transactions is found in Giurgiu, Teleorman, Covasna, Olt or Sălaj counties (less than 0.6% of the number of transactions take place in each of these counties). An important proportion of the individual unit transactions are financed by bank credit (about 38%). The first 10 banks in the domestic banking system, participating in the NBR Survey on lending to non-financial companies and the population, claim in a proportion of 63.6% that the demand for loans intended for the purchase of housing and land was moderately lower in Q3 2022, while 29% believe that it has remained approximately constant. For Q4 2022, 54.2% of the responding credit institutions expect roughly constant demand, and 43.5% a lower demand.
The transaction costs are moderate in Romania and are between 4.4-10.2% for the buyer and include: stamp duty, notary fees and registration fee and between 3% and 6% for the seller. The highest transaction costs are recorded in France, Malta or Belgium, but in Bulgaria, the Czech Republic or Poland the transaction costs of real estate are lower than those recorded in Romania.

From the beginning of 2022, the construction authorization for residential buildings recorded a tempering. In the period January-September 2022, the number of issued authorizations decreased by 11.8% compared to the same period of the previous year. At the regional level, in the same reference period, the most construction permits were issued for Bucharest-Ilfov, Timiș, Suceava, Cluj and Iași, while the fewest were issued for Tulcea, Caraș-Severin, Teleorman and Covasna.
In the third quarter of 2022, 52,794 residential units were completed throughout the country, which represents an advance of 6% compared to the same period of the previous year, and most homes were put into use in the urban environment (56.3% of the total).

The volume of construction work for residential buildings remained relatively flat in September 2022 in annual terms. According to data as of September 2022, the construction cost index for the residential building segment registered an annual growth rate of 14.3% amid rising raw material spending as well as the supply chain issues.

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999

The rising construction costs are likely to put further pressure on the rising real estate prices.
The residential property prices increased in Romania in the first half of 2022 (+8.5% in annual terms), but remained at the lowest level in the region and, at the same time, below the European Union average (+10%) and that related to the euro zone (+9,3%). At the same time, during the last 10 years, the dynamics of residential the property prices in Romania has been lower compared to that of the prices in the region

The price-to-income indicator highlights regional heterogeneities in terms of the time required to purchase a 2-room (55 sqm) home, without taking into account the living expenses or saving and without financial support from the banks. The differences come both from the price of the real estate valued differently by region and from the income discrepancies. The highest level of the indicator is registered in Cluj county, where it takes approximately 11 years to purchase a home without financing from banks (according to the September 2022assessment). This development occurs against the background of the considerable gap between the rate of increase in real estate prices and the rate of growth of the population's incomes, since real estate prices have increased at a much faster rate compared to incomes. In contrast, in counties such as Giurgiu, the indicator does not exceed the value of six years. Internationally, the main urban centers in Romania are below the values of the indicator calculated for the capitals of neighboring countries. Thus, for the purchase of a 55 sqm house without contracting a real estate loan, it takes almost 18 years in Prague, around 15 years in Budapest and Warsaw and about 12 years in Vienna.
At territorial level, the analysis of the deviation of the price/income indicator from its long-term average highlight's significant disparities among the main cities in Romania. Thus, in Bucharest and Timisoara, the residential real estate assets are undervalued, while in Cluj-Napoca and Brasov, they are overvalued, and in Constanta they are correctly valued.

The price developments in the period ahead depend on a number of factors such as macroeconomic conditions, broad-based tightening of financing conditions amid rising interest rates and heightened uncertainty in the new geopolitical environment. They are likely to decrease the potential demand from the population and, implicitly, to moderate the increase in real estate prices.

Commercial real estate market
The construction activity on the commercial real estate market increased in the first eight months of 2022, with the volume of construction of non-residential buildings increasing by about 17.3% in annual terms. However, the number of building permits issued in the same reference period decreased by 7%, while average construction costs for non-residential buildings increased by about 20%.
These persistent increases in construction costs are likely to put pressure on both the supply and the demand of the commercial real estate through the impact on construction activity and prices.
The transactional activity of the commercial real estate market has revived, with the volume of investments amounting to about EUR 654.2 million in the first nine months of 2022, 16% more than in the same period of the previous year, but 12% less than in the same period of the pre-pandemic year 2019. Most transactions were based on properties located in Bucharest (55%), with a growing interest in office space investments.

The traded volume for such properties accounted for 45% of total investments since the beginning of the year.
In this context, an online survey conducted by CBRE research in April 2022 shows that 60% of the respondents prefer to work in the office, without excluding the hybrid option, while the remaining 40% prefer working from home or the hybrid system.

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 12

The motivation of respondents who prefer to work in a hybrid system consists of the following disadvantages of working from the office: (i) time lost in traffic, (ii) additional costs of travel and clothing, (iii) the impossibility of combining work and personal life, and (iv) finding a parking space. In this context, the office space stock in Romania reached over 4.3 million sqm in Q2 2022, most of it being found in the Bucharest-Ilfov region, with a prime yield of 6.75% and a vacancy rate of about 12.75%
As far as industrial sites are concerned, half of the stock of such sites is also located in the capital region (see Chart 2.32), given the countless advantages and opportunities associated with this area: (i) connectivity with regional cities, infrastructure and public transport, (ii) high-quality spaces, as 90% of the modern stock is upper class (A), (iii) relatively new buildings, about 60% of the industrial space stock area was delivered between 2015 and 2022, (iv) high market liquidity and (v) increasing demand for logistics spaces in the last two years.
In terms of retail space, Romania has become a very attractive market for international merchants. The stock of modern commercial spaces will reach 4.32 million sqm in 2023, an insufficient supply for the growing demand from international retailers."[1]

The main exchange rate used for the conversion into lei of balances expressed in foreign currency as of 31 December 2021 and 2022 are:

Foreign currency	Abbreviation	Exchange rate (lei for 1 unit of foreign currency)	
		31 December 2021	31 December 2022
Dolar SUA	USD	4.3707	4.6346
Euro	EUR	4.9481	4.9474

A.1. Statement of principle

We, the undersigned Katerina Atsali and Theodora Veiber, as Members of the Board of Directors of the Company IMO-II PROPERTY INVESTMENTS S.A., have prepared this Report, taking into account the fact that under the mandate of the shareholders we participated in the management of the Company within the limits of the powers conferred by the legislation in force.

A.2. Legal framework for performing the activity

IMO II PROPERTY INVESTMENTS SA operates as a joint-stock commercial company according to the Law no. 31/1990 (as republished), starting from 09.11.2005, and authorised upon the application 588306 as of 24.11.2010, to carry out „other business support services activities n.e.c.", NACE code 8299.

B. Review of 2021 results

The accounts were organised and kept in compliance with the laws in force, the accounting rules and principles. The 2022 balance sheet has been prepared on the basis of the Trial Balance of synthetic accounts and of the

[1] Extract from "Report on financial stability, December 2022", NBR

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 12061/1999 TRADUCĂTOR AUTORIZAT

methodological norms on the preparation of the balance sheet and of the annexes thereof.

The financial statements were drawn up according to:

- Order of the Minister of Public Finance no. 1802/2014 with the subsequent amendments;
- Accounting Law no. 82/1991.

The financial results were reviewed on the basis of figures from the audited statutory financial statements which shall be submitted to the local authorities - the Ministry of Public Finance and the Trade Register.

MINISTERUL JUSTIȚIEI - TRADUCĂTOR AUTORIZAT * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999

B.1 The asset structure on 31 December 2022 is presented below:

INDICATOR	December		December	
(lei)	2021	Share	2022	Share
Cash, in central banks	1,579,666	86.41%	1,780,251	99.92%
Other receivables	245,431	13.43%	1,395	0.08%
Receivables from customers	1,328	0.07%	-	0.00%
Other receivables	1,695	0.09%	116	0.01%
Other assets	**1,828,120**	**100.00%**	**1,781,762**	**100.00%**

On 31 December 2022 the total assets of the Company amounted to 1,781,762 lei, about 2.54% less, than the value recorded on 31 December 2021 (1,828,120 lei).
The following table shows the variation of the main assets from one year to another. The comparison was undertaken in nominal terms for the periods ended on 31 December 2021 and 2022.

INDICATOR	December	December	Variation	
(lei)	2021	2022	Absolute	%
Cash, in central banks	1,579,666	1,780,251	200,585	12.70%
Other receivables	245,431	1,395	(244,036)	-99.43%
Receivables from customers	1,328	-	(1,328)	- 100.00%
Tangible fixed assets	0	-	(0)	-
Other receivables	1,695	116	(1,579)	-93%
Total assets	**1.828.120**	**1,781,762**	**(46,358)**	**-2.54%**

B.2 Balance sheet - Debts and equity

On 31 December 2022, the Company's debts and equity amounted to 1,781,762 lei, about 2.54% less than the end of the year 2021 (1,828,120 lei).

FLORINA MIRESCU
Aut. nr. 12064/1999
MINISTERUL JUSTIȚIEI · TRADUCĂTOR AUTORIZAT · ROMÂNIA

Directors' Report for the financial year ended on 31 December 2022

INDICATOR	December		December	
(lei)	2021	Share	2022	Share
Debts to be paid in a period less than one year	22,071,030	1,207.31%	36,448	2.05%
Subscribed paid share capital	197,800	10.82%	22,453,450	1,260.18%
Reserves	39,560	2.16%	39,560	2.22%
Retained earnings	(22,156,740)	-1,212.00%	(20,445,529)	-1,147.49%
Result of the financial year	1,711,211	93.60%	(267,426)	-15.01%
Profit distribution	(34,741)	-1.90%	(34,741)	-1.95%
Total liabilities	**1,828,120**	**100.00%**	**1,781,762**	**100.00%**

The following table shows the variation of the main debts and equity, in nominal terms:

INDICATOR	December	December	Variation	
(lei)	2021	2022	Absolute	%
Debts to be paid in a period less than one year	22,071,030	36,448	(22,034,582)	-99.83%
Subscribed paid share capital	197,800	22,453,450	22,255,650	11251.59%
Reserves	39,560	39,560	-	0.00%
Retained earnings	(22,156,740)	(20,445,529)	1,711,211	-7.72%
Result of the financial year	1,711,211	(267,426)	(1,978,637)	-115.63%
Profit distribution	(34,741)	(34,741)	-	0.00%
Total liabilities	**1,828,120**	**1,781,762**	**(46,358)**	**-2.54%**

MINISTERUL JUSTIȚIEI • ROMÂNIA • FLORINA MIRESCU Aut. nr. 1286/1999 TRADUCĂTOR AUTORIZAT

B.3 Profit and loss account

The structure of the annual profit and loss account is the following:

Profit and loss account	2021	2022
Operating revenue	12,966,233	2,311
Operating expenses	10,214,705	244,031
Operating result	**2,751,528**	**-241,720**
Financial revenue	102,673	71,402
Financial expenses	1,118,590	97,108
Financial result	**-1,015,917**	**-25,706**
Total revenues	13,068,906	73,713
Total expenses	11,333,295	341,139
Gross loss	**1,735,611**	**-267,426**
Revenue tax	24,400	0
Net loss	**1,711,211**	**-267,426**

On 31 December 2022, the Company has registered an accounting loss amounting of 267,426 lei, while on 31December, 2021 the Company recorded an accounting profit in the amount of 1,711,211 lei.

Business continuity

The management's intention for the next period is to liquidate the company, following which the necessary steps will be taken according to the legislation in force. The Company's activity intends to be stopped in 2023, following the sale of all fixed assets and inventories in 2021. Consequently, the annual financial statements for the financial year ended on 31 December, 2021 were not drawn up applying the principle of business continuity.

For the year ended on 31 December 2022, the Company has registered an accounting loss amounting of 267,426 RON (profit on 31 December 2021: 1,711,211 RON). The net equity as of 31 December 2021 is negative, as can be seen in the table below.

	31 December 2021	31 December 2022
Share capital	197,800	22,453,450
Reserves	39,560	39,560

MINISTERUL JUSTITIEI - TRADUCATOR AUTORIZAT * ROMANIA * FLORINA MIRESCU Aut. nr. 1206/1999

Retained earnings	(22,156,740)	(20,445,529)
Profit/Loss of the financial year	1,711,211	(267,426)
Profit distribution	(34,741)	-
Equity	(20,242,910)	1,745,314

The management's intention for the next period is to liquidate the company, following which the necessary steps will be taken according to the legislation in force. The Company's activity intends to be stopped in 2023, following the sale of all fixed assets and inventories in 2021. Consequently, the annual financial statements for the financial year ended on 31 December, 2021 were not drawn up applying the principle of business continuity.

C. Risk management

Market risk

The exchange rate risk is manageable, considering the fact that the Company has both trade debts and receivables in foreign currency;

The interest rate risk is the risk that the amount of interest expense will vary due to market fluctuations in interest rates. The Company considers this risk to be manageable;

The price risk is the risk that the value of a financial instrument will fluctuate as a result of changing market prices. This risk does not exist at the date of the report.

Credit risk

The financial assets, which have the potential to subject the Company to credit risk, are mainly trade receivables.

Interest rate risk on cash flows

The interest rate risk on cash flow is the risk that cash flows will fluctuate due to the changes in the market interest rates. The Company considers this risk to be manageable.

Risk related to taxation

The Romanian fiscal legislation provides detailed and complex rules and has undergone various changes in recent years. The interpretation of the text procedures and the implementation of the tax legislation could vary, and there is a risk that certain transactions could be interpreted differently by the tax authorities, compared to the Company's treatment.

The Romanian government has agencies that are authorized to carry out fiscal controls on companies operating in Romania. These verifications are similar in nature to tax verifications carried out by tax authorities in many countries, but may extend not only to tax matters, but also to other legal and regulatory aspects that the agencies might be interested in. It is likely that the Company will continue to be subject to regular controls regarding the

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1806/1999 TRADUCĂTOR AUTORIZAT

new laws and regulations issued.

As regards the transfer prices, the Romanian fiscal legislation the "market value" principle, according to which the transactions between affiliated parties must take place at market value. The local taxpayers carrying out transactions with affiliated parties must prepare and make available to Romanian tax authorities, upon written request of the latter, the transfer pricing file.
Failure to submit the transfer pricing file and the submission of an incomplete file can lead to the imposition of penalties for nonconformity; in addition to the content of the transfer pricing file, the tax authorities may construe the transactions and the circumstances differently from the management and, consequently, may impose additional tax obligations arising from the adjustment of transfer prices.
The Company's management has taken steps to prepare the transfer pricing file which is currently prepared by an external provider. The Company's management considers that it shall not incur losses in the case of a tax control covering the transfer prices. However, the impact of different interpretations of tax authorities may not be reliably estimated. This may be significant for the Company's financial position and/or the operations.

Risk related to economic environment

The Romanian economy continues to present specific characteristics of an emerging economy and there is a significant degree of uncertainty regarding the development of the political, economic and social environment in the future. The management of the Company is not able to predict the nature of the changes that will take place in the economic environment in Romania and what will be their effect on the financial situation and the operational and treasury results of the Company.

Risk of liquidity

Liquidity risk (funding risk) is the risk that an entity will encounter difficulties in procurement of the funds necessary to fulfil commitments related to financial instruments. It can result from the inability to quickly sell a financial asset at a value close to its fair value. The control of this risk is achieved by forecasting the short- and medium-term liquidity needs, monitoring the level of the liquidity coefficient, calculated according to the regulations in force, on a monthly basis.

MINISTERUL JUSTIȚIEI * ROMÂNIA * FLORINA MIRESCU Aut. nr. 1206/1999 TRADUCĂTOR AUTORIZAT

Directors' Report for the financial year ended on 31 December 2022

D. Shareholding structure

On 31 December 2022 the shareholding structure is as follows:

	Number of shares (thousands)	Amount (lei) 2021	2022	Percentage (%)
EUROBANK SA	224,534,499	197,799.90	22,453,449.90	99.9999996%
ERB NEW EUROPE HOLDING B.V.	1	0.10	0.10	0.0000004%
Total	**224,534,500**	**197,800**	**22,453,450**	**100%**

E. Board of Directors' structure

On 31 December 2021 the Board of Directors of IMO - II PROPERTY INVESTMENTS BUCURESTI S.A. had the following structure:

Mr. Michail Stamou –	- Chairman of the Board of Directors
Mrs. Aikaterini Atsali	- Member
Mr. Theodora Veiber	- Member

In timp ce la 31.12.2022 Consiliul de administratie avea urmatoarea structura

Mrs. Aikaterini Atsali	- Member
Mrs. Theodora Veiber	- Member
Mrs. Sandra Liliana Biclea	- Member

F. Other information

Eurobank Group's position

The macroeconomic environment

After a year of strong economic recovery from the pandemic-induced recession, Greece and the other countries where the Eurobank Group has a substantial presence were ready to embark on a sustained growth cycle. However, the current geopolitical issues caused by the Russian invasion of Ukraine has resulted in deteriorating macroeconomic prospects for the European and Greek economies, which are now experiencing a slowdown in growth and rising inflation. More specifically in Greece, according to the Hellenic Statistical Authority (ELSTAT), the Harmonised Index of Consumer Prices (HICP) increased by 11.6% annually in June 2022, driven by the higher energy, food and transport prices, compared to 0.6% in June 2021. The Greek economy showed notable resilience in the first quarter of 2022, growing 2.3% quarter-on-quarter (or 7.0% YoY), while the seasonally adjusted unemployment rate was 12.5% in May 2022 (May 2021: 15,6%). The European Commission (EC), in its Summer Economic Forecast (July 2022), estimates that a) the Greek economy will grow by 4% in 2022 and by 2.4% in 2023 (2021: 8.3%) and b) the inflation rate will approach 8.9% in 2022 due to rising energy and fuel costs and their secondary impact on the other sectors of the economy, before dropping to 3.5% in 2023.

At fiscal level, the EC in its Spring Forecast (May 2022) expects general government to register a primary deficit of 1.9% of GDP in 2022 and a primary surplus of 1.3% of GDP in 2023 (2021: primary deficit of 5%, including a stimulus and pandemic relief package of €16 billion and additional support measures of €1 billion). The gross government debt-to-GDP ratio is expected to decline to 185.7% and 180.4% in 2022 and 2023 respectively (2021: 193.3%). The above forecasts may change due to the actual size of the support measures, the impact of inflation on economic growth and the repercussions of higher energy prices on the public finances. For example, the recent research refers to GDP growth in 2022 at an area of 5% or more (Moody's analyses) and for the debt-to-GDP ratio to approx. 177% and 166% for 2022 and 2023 respectively (Eurobank Research debt sustainability analysis).

A significant boost to growth is expected in Greece and other countries through the European Union (EU) funding, mainly under the EC's Next Generation EU (NGEU) and the EU's Multiannual Financial Framework (MFF). Greece will receive more than €30.5 billion in EU funds (€17.8 billion in grants and €12.7 billion in loans) until 2026 from the Recovery and Resilience Facility (RRF) to finance projects and initiatives set out in its National Recovery and Resilience Plan. (NRRP) entitled 'Greece 2.0".

A pre-financing of EUR 4 billion was paid in August 2021 and the first regular disbursement of EUR 3.6 billion was paid in April 2022. Around €40 billion has also been allocated to Greece through the EU's MFF 2021-2027. As regards monetary policy, although net bond purchases under the Temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022 as scheduled, the European Central Bank (ECB) will continue to reinvest the principal from maturing securities until at least the end of 2024, including by purchasing Greek Government Bonds (GGB) in addition to recurring redemptions. In addition, on 21 July 2022 the ECB's Governing Council, in line with its strong commitment to its price stability mandate, decided to increase the ECB's three key interest rates by 50 basis points and approved a new instrument (Transmission Protection Instrument - TPI) aimed at preventing fragmentation of the sovereign bond market. This year, the Greek state, through the Public Debt Management Agency (PDMA), issued a €3 billion 10-year bond with a yield of 1.836% on 19 January 2022, a €1.5 billion bond with 5 years to maturity (reopening of a bond older than 7 years) at a yield of 2.366% on 17 April 2022, two €0.25 billion and €0.15 billion bonds with maturities of 15 and 20 years (reopening bonds older than 20 and 25 years at) yields of 3.51% and 3.56% respectively on 30 May 2022 and one €0.5 billion 10-year bond (reopening of bond issued on 19 January) at a yield of 3.67% as of 11 July, 2022. Since the beginning of June 2022, the Greek state's cash reserves have stood at almost 40 billion euros, and its sovereign rating was slightly below the investment grade granted by two of the four major rating agencies accepted by the ECB (DBRS Morningstar: BB (large), S&P Ratings: BB+) .

Looking ahead to the next 12 months, the major macroeconomic risks and uncertainties in Greece and our region are as follows:

a) the ongoing war between Russia and Ukraine and its ramifications on regional and global stability and security, the European and Greek economy, and especially the energy sector,
b) an extension of global supply chain disruptions, which have been exacerbated by the war in Ukraine, mobility restriction measures in China and imbalances in manufacturing in many industries due to the Covid-19 pandemic,
c) a prolongation and/or exacerbation of the ongoing inflationary wave, in particular in the energy and food sectors, and its impact on growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality,
d) the future and potential increases in interest rates globally and in the euro area in particular, which may put increasing pressure on sovereign and private borrowing costs and lead economies to a slowdown or recession,

FLORINA MIRESCU
Aut. nr. 4206/1999
MINISTERUL JUSTIȚIEI · ROMÂNIA · TRADUCĂTOR AUTORIZAT

(Bank). The Board of Directors (CA) of Eurobank Holdings is the same as the Board of Directors of the Bank and part of the key management staff (KMP) of the Bank provides services to Eurobank Holdings in accordance with the terms of the relevant agreement between the two entities.
As of June 30, 2022, the percentage of the Company's voting ordinary shares held by the Hellenic Financial Stability Facility (HFSF) is 1.40%. The HFSF is considered to have significant influence on the Company in accordance with the provisions of Law 3864/2010, in force and the Tripartite Relations Framework Agreement (TRFA) between the Bank, the Company and the HFSF signed on 23 March 2020 and amended on 3 February 2022. The Fairfax Group, which holds 33% of Eurobank Holdings' voting rights as of 30 June 2022 (31 December 2021: 33%), is considered to have significant influence on Eurobank Holdings.

Current conflict between Russia and Ukraine
The current geopolitical conjuncture caused by Russia's invasion of Ukraine in February 2022 has led to a deteriorating macroeconomic outlook for the European and Greek economies, which are now experiencing a slowdown in growth and rising inflation.

Looking ahead to the next 12 months, the major macroeconomic risks and uncertainties in Greece and our region are as follows:

a. the ongoing war between Russia and Ukraine and its ramifications on regional and global stability and security, the European and Greek economy, and especially the energy sector,
b. an extension of global supply chain disruptions, which have been exacerbated by the war in Ukraine, mobility restriction measures in China and imbalances in manufacturing in many industries due to the Covid-19 pandemic,
c. a prolongation and/or exacerbation of the ongoing inflationary wave, in particular in the energy and food sectors, and its impact on growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality,
d. the future and potential increases in interest rates globally and in the euro area in particular, which may put increasing pressure on sovereign and private borrowing costs and lead economies to a slowdown or recession,
e. the actual size and duration of current and potential fiscal measures aimed at mitigating the impact of rising energy prices and costs of living, and their impact on the long-term sustainability of the country's public debt;
f. the impact of the withdrawal of temporary support measures on growth, employment and continued household and corporate debt servicing,
g. the prospect of so-called "twin deficits" (e.g. fiscal and current account deficits) becoming more structural, although they currently appear to be more of a repercussion of the pandemic and energy crisis,
h. the evolution of the COVID-19 pandemic and its repercussions on national and global scale, and the likelihood of new Covid-19 variants emerging that could have an additional impact on economic growth, fiscal balance and international trade,
i. the capacity to absorb NGEU and MFF funds and to attract new investments to the country,
j. the implementation of the structural reform and privatisation agenda to also meet FRR objectives and milestones,
k. geopolitical developments in the near region, and
l. exacerbation of natural disasters due to climate change and their effect on GDP, employment and fiscal balance.

m. The materialization of the above risks, including those related to rising energy prices and inflation, would potentially have negative effects on the Greek government's fiscal planning, as it could slow the pace of growth

MINISTERUL JUSTIȚIEI · TRADUCĂTOR AUTORIZAT · ROMÂNIA
FLORINA MIRESCU
Aut. nr. 1206/1999

expected on Greek banks' liquidity, solvency and profitability. The Russian invasion of Ukraine creates uncertainty in the global economy and international trade, with far-reaching and long-term consequences. As the events are still unfolding, any assessment of their impact is premature. However, risks arising from geopolitical unrest could be mitigated by coordinated measures at European level, according to pandemic precedent. In this context, the Group has an insignificant exposure in Russian assets and continuously monitors developments at the macroeconomic and geopolitical level, as well as the evolution of asset quality KPIs and increased its preparedness to adapt decisions, initiatives and policies to protect its capital and liquidity situation, as well as meeting its strategic and business objectives to the fullest extent possible in line with its business plan for 2022-2024.

There were no other significant events after the reporting period that would have an influence on the understanding of the financial statements.

G. Events subsequent to the balance sheet

The company has an extremely limited activity during this period - it is decided to liquidate it in the shortest possible time.

Member of Board of Directors	Member of Board of Directors
	THEODORA VEIBER
	Gabriela-Theodora Veiber — Digitally signed by Gabriela-Theodora Veiber Date: 2023.05.31 06:39:43 +03'00'

Date: 31.05.2023

I, the undersigned, Mirescu Florina, a certified translator authorized by the Romanian Ministry of Justice under no. 1206/1999 have hereunto set my hand and affixed my seal to certify this document as a true and valid translation into English of the original in Romanian.

TRANSLATOR,

MINISTERUL JUSTIȚIEI · TRADUCĂTOR AUTORIZAT · ROMÂNIA
FLORINA MIRESCU
Aut. nr. 1206/1999